

Control No. 448600
19 April 1954

MEMORANDUM FOR: IWG Members

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Mr. Douglas G. Coster, State/EDS
Mr. Robert Reiss, Commerce/EFC (for Mr. Richard Lindsay)

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SUBJECT : Clearance for [redacted] date of information,
3 February 1954

1. Enclosed herewith is a copy of the subject communication.
Permission has been granted to disseminate it further, as follows:

To FOA/MDAC/Washington, USRO/Paris and to
posts at The Hague, Rome, Milan, London, Vancouver
and Ottawa FOR INFORMATION ONLY, classified SECRET/
US OFFICIALS ONLY.

2. The subject communication is of interest in relation to at
least three cases involving accomplished or possible copper diversions.

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a. [redacted] concerns a probable attempt by
Italian and other intermediaries to divert 2000
tons of Canadian copper to the Bloc. [redacted]
27 November 1953 describes the efforts of GERTOS
& Co., S.r.l., Via Settembrini 17, Milan to secure
from the Consul General "authentication" of an
unofficial end-use certificate. The copper was
to be purchased by Gertos from Captain Harry A.
SPOUSE of Vancouver and London and resold to four
Italian fabricators. The character of the Gertos
firm, its insistence on unnecessary and unusual
methods of securing "legalization" of the deal and
the fact that at least one of the fabricators,
SILTA of Milan, is a suspected East-West trader
indicated a strong probability of diversion. (For
details of the activities of the firm, SILTA of
Milan see [redacted] 20 January 1954, [redacted]
7 December 1953 and [redacted] 31 August 1953.
This office has no information on the other three
fabricators.)

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USRO/Paris, in [redacted], 11 December 1953 recalled
a report by [redacted] 8 June 1953) 25X1A2g
that Enrico COHEN and Isaac FALK were negotiating

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with "two Canadians, SPOUSE and ZENZ, employees of LOCOMOTIVES AND TRACTORS CO., of Vancouver, B. C." through the NATIONAL BANK of London for 10,000 tons of copper.

Neither Ottawa nor Vancouver were able to develop further information (see [redacted] 4 February 1954 and Vancouver D-60, 17 February 1954).

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THE LOCOMOTIVE AND TRACTOR COMPANY of London was also reported as a purchaser of \$274,000 worth of aluminum ingots in late 1953 from Canada or the United States on behalf of an unknown Dutch firm for shipment to Poland (see DCN #26).

[redacted] 24 November 1953, reporting case, promised to forward further information on the firm as it was developed. This office has no knowledge of any subsequent communication on the subject.

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b. The second case concerns the WELLINGTON TRUST, London, currently under trial for the diversion of 799 tons of copper (see [redacted] of 11 and 18 March 1954).

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c.

[redacted] concerns a telephone query made by "a Mr. Dawson or Dorsen" from Antwerp to the Netherlands Economic Ministry on 23 March 1954. Mr. D. claimed to be a US investigator for OIT, Department of Commerce, and asked the Netherlands to withdraw an export license for the shipment of 1000 tons of copper to Saudi Arabia. He claimed that the middleman, the FAKHOURY firm of Beirut and Paris, planned to divert the copper to the Bloc. (See The Hague/Tel. 937, 24 March 1954 and [redacted] 25 March 1954.)

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Neither Washington nor The Hague has been able to discover the identity of Mr. D. There is "substantial derogatory information on one George Dawson, British subject, East-West trader, but no information here (Washington) indicating same person" (see Deptel/The Hague, 119, 30 March 1954.)

A possible identity for Mr. D. is the J. DAWSON Ellis mentioned in the subject communication, as a partner in LOCOMOTIVE AND TRACTOR CO., of London, a firm reportedly interested in buying copper for the Bloc.

b. Suggestions for the collection of further intelligence within

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the security limitations set forth in paragraph 1a

25X1A2g a. [redacted]

Request Vancouver to make further investigation.

Request London to forward available information on identities and activities of SPOUSE, WILLIAMS, ELLIS and LOCOMOTIVE AND TRACTOR CO. (Repeat 25X1A2g to London, [redacted] 27 November 1953 and reference [redacted] 24 November 1953 and USRO/Polto [redacted] sent Washington 25X1A2g [redacted] 11 December 1953.)

This office has been unable to confirm in available directories the information given in paragraph 1 of the subject communication. The 1953 edition of the Post Office London Directory does not give a #3 for Trinity Crescent; the only firms listed at 28 Mount St. are D.T. DOBIE AND CO., Ltd., export merchants and HUGO MANNERS, Ltd., wholesale dress fabrics. None of the names were listed in the alphabetical commercial section of the directory, nor were they found in the only available telephone directory (1951).

Request Milan to make follow-up report on its despatch 169 of 27 November, 1953.

b. WELLINGTON TRUST

Request London to forward any information on association between LOCOMOTIVE AND TRACTOR CO. and WELLINGTON TRUST which may be developed in connection with the current trial of the latter.

c. "DAWSON" Case

25X1A Repeat The Hague/Tel. 937, 24 March 1954 and The [redacted] 25 March 1954 to London with request for comment on possible identification of J. DAWSON Ellis with the Dawson or Dorsen (Dorsen) of The Hague communications.

4. It is requested that this Agency be advised of use of the foregoing information by the addressees of this memorandum.

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Executive Secretary
Intelligence Working Group

Enclosure (1)

Approved For Release 2002/07/31 : CIA-RDP63-00084A000200060038-8

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